

IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF MISSOURI  
WESTERN DIVISION

<b>UNITED STATES OF AMERICA,</b>	) No. 05-
	)
<b>Plaintiff,</b>	) <b>Unauthorized Computer Intrusion</b>
	) 18 U.S.C. §§ 1030(a)(2)(B) & 1030(c)(2)(B)(ii)
v.	)
	) NMT: 5 Years Imprisonment
<b>CANDICE G. SMITH,</b>	) NMT: \$250,000 Fine
<b>[DOB: xx/xx/60],</b>	) NMT: 3 Years Supervised Release
	) Class D felony
<b>Defendant.</b>	)
	) \$100 Mandatory Special Assessment

INDICTMENT

THE GRAND JURY CHARGES:

(Unauthorized Computer Intrusion)

Background

1. At all times relevant to this Indictment, **CANDICE G. SMITH (SMITH)**, defendant herein, was employed by the United States Department of Health and Human Services (HHS) as a payment recovery specialist for the Center for Medicaid Services (CMS), and worked in the downtown federal building located at 601 E. 12<sup>th</sup> Street, Kansas City, Missouri 64106. **SMITH'S** duties included data entry, which gave her access to the agency's computer operating system. Consistent with her duties, **SMITH** was allowed access to the LexisNexis database in furtherance of agency business.

2. The Center for Medicaid Services is an agency under the umbrella of the United States Department of Health and Human Services. HHS is a United States department, national in scope, with offices throughout the country. The various offices and facilities of HHS throughout the United States, including the building located at 601 E. 12<sup>th</sup> Street, Kansas City, Missouri 64106,

are linked together by a network computer system that is used for, and in, interstate and foreign commerce and communication. Any computer or server connected to said network computer system is a “protected computer” within the meaning of Title 18, United States Code, Section 1030(e)(2).

3. LexisNexis is a data-collection company that provides, for a fee, information on a wide variety of topics. For example, LexisNexis provides case law databases to law offices and law schools nationwide. LexisNexis also provides private financial information and drivers license information to certain private and government agencies, provided certain conditions are met. Accordingly, it is permissible for a government agency to query LexisNexis for law enforcement purposes, or for private entities to query the database in order to further certain listed consumer affairs or public interests. LexisNexis may not, however, be queried by an individual to promote personal financial gain. In short, the LexisNexis database contains non-public information that may only be used for approved purposes.

4. CMS has a policy that forbids the use of LexisNexis for personal reasons.

The Defendant Gains Unauthorized Access to the LexisNexis  
Computer Database through the CMS Computer System

5. **SMITH** is a payment recovery specialist for the Center for Medicaid Services and has been so employed for the last four and one-half years.

6. As a regular part of her duties, **SMITH** has access to the LexisNexis database through an employee account paid for and maintained by CMS.

7. On or about February 23, 2005, **SMITH** saw a post to the Yahoo! Group “kchourlyfriends” about Kansas City, Missouri Police Department Vice Unit Sergeant, Brad Dumit.

8. On or about February 23, 2005, **SMITH**, for her own purpose and without authorization to do so, logged into her CMS LexisNexis employee account and queried the LexisNexis database in an effort to obtain personal information on Sergeant Dumit. **SMITH** knew such activity was prohibited, but did so to further her on-going criminal enterprise of promoting prostitution.

9. Since the summer of 2002, **SMITH** has similarly queried the LexisNexis database on numerous other occasions; each time without CMS authority to do so, and for her own purpose.

The Statutory Charge

10. On or about February 23, 2005, within the Western District of Missouri and elsewhere, **CANDICE G. SMITH**, defendant herein, intentionally accessed a computer without authorization and in excess of her authorized access and thereby obtained information from a department of the United States, to wit: the Center for Medicaid Services, an agency of the Department of Health and Human Services; and did so in furtherance of a criminal offense, that is, Promoting Prostitution in the Third Degree, as proscribed by Section 567.070 of the Revised Statutes of the State of Missouri.

All in violation of Title 18, United States Code, Sections 1030(a)(2)(B) and (c)(2)(B)(ii).

A TRUE BILL.

/s/ Foreperson  
FOREPERSON OF THE GRAND JURY

/s/ Jeffrey Valenti  
Jeffrey Valenti #43254  
Assistant United States Attorney

Date: 3/4/2005  
Kansas City, Missouri